



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt a resolution authorizing the City Manager to sign a consulting services agreement with Borismetrics to provide professional services in the areas of power supply and rates to the Electric Utility Department (Not to exceed \$95,000)

MEETING DATE: April 18, 2001

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council authorize the City Manager to sign a consulting service agreement for professional services with Borismetrics to provide professional services in the areas of power supply and rates to the Electric Utility Department up to a maximum of \$95,000.

BACKGROUND INFORMATION: The Electric Utility Department faces a number of issues related to the fast paced and volatile energy industry which require short-term specialized professional assistance in order to efficiently manage and position the utility through this transition period.

The Electric Utility Department originally hired Boris Prokop to perform a Cost of Service Study under a consulting firm from which Mr. Prokop has recently left to form the consulting firm Borismetrics. In order to preserve the continuity of his knowledge in the areas of rates and power supply for the City of Lodi and given the rapid change in the electric utility industry, there is a need to expand the services and scope of his original work. In addition to the Cost of Service, BORISMETRICS will provide assistance in the following areas:

- Rate design and evaluation
- NCPA resource and bill review
- Information System Interfaces
- Market cost adjustment
- Resource and contract evaluation
- RTO, ISO and other transmission issue review

BORISMETRICS is uniquely qualified to provide the needed expertise by virtue of its familiarity with the issues facing the City of Lodi and other California electric utilities. The services that Mr. Prokop provided under the last contract have proved to be very beneficial to the Electric Utility Department. The need and value of the services are even more necessary during this environment of California electric industry uncertainty.

The entire Rates and Resources Division has retired resulting in the need for immediate assistance. Boris Prokop has assumed the various responsibilities of Rate and Power Supply. This will provide the Electric Department the flexibility as needed in the future.

FUNDING: 160603

Funding Approval:

Vicky McAthie
Vicky McAthie, Finance Director

Alan N. Vallow

Alan N. Vallow
Electric Utility Director

ANV/lst

APPROVED:

H. Dixon Flynn
H. Dixon Flynn - City Manager

RESOLUTION NO. 2001-96

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE
CITY MANAGER TO EXECUTE A CONSULTING SERVICES
AGREEMENT WITH BORISMETRICS TO PROVIDE PROFESSIONAL
SERVICES IN THE AREAS OF POWER SUPPLY AND RATES TO THE
ELECTRIC UTILITY DEPARTMENT

=====

WHEREAS, the Electric Utility Department faces a number of issues related to the fast-paced and volatile energy industry which require short-term specialized professional assistance in order to efficiently manage and position the utility through this transition period; and

WHEREAS, originally Boris Prokop of the consulting firm EES Consulting was hired to perform a Cost of Service Study; and

WHEREAS, Boris Prokop has recently left and established his own consulting firm, Borismetrics; and

WHEREAS, in order to preserve the continuity of his knowledge in the areas of rates and power supply for the City of Lodi, and given the rapid change in the electric utility industry, there is a need to expand the services and scope of his original work; and

WHEREAS, in addition to the Cost of Service Study, Borismetrics will provide assistance in the following areas:

- Rate design and evaluation
- NCPA resource and bill review
- Information System Interfaces
- Market cost adjustment
- Resource and contract evaluation
- RTO, ISO and other transmission issue review

NOW, THEREFORE, BE IT RESOLVED, that the Lodi City Council does hereby authorize the City Manager to execute a consulting services agreement with Borismetrics to provide professional services in the areas of power supply and rates to the Electric Utility Department, at a cost not to exceed \$95,000.00.

Dated: April 18, 2001

=====


I hereby certify that Resolution No. 2001-96 was passed and adopted by the Lodi City Council in a regular meeting held April 18, 2001 by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Howard, Pennino and Mayor Nakanishi

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Land

ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON
City Clerk